

# EXHIBIT 2015

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 10-K**

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2008**

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 000-19119

**Cephalon, Inc.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**

(State or Other Jurisdiction of  
Incorporation or Organization)

**23-2484489**

(I.R.S. Employer Identification No.)

**41 Moores Road**

**P.O. Box 4011**

**Frazer, Pennsylvania**

(Address of Principal Executive Offices)

**19355**

(Zip Code)

Registrant's telephone number, including area code: **(610) 344-0200**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act:

**None**  
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐  
(Do not check if a smaller  
reporting company)

Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting stock held by non-affiliates of the registrant, as of June 30, 2008, was approximately \$2.8 billion. Such aggregate market value was computed by reference to the closing price of the Common Stock as reported on the NASDAQ Global Select Market on June 30, 2008. For purposes of making this calculation only, the registrant has defined affiliates as including only directors and executive officers and shareholders holding greater than 10% of the voting stock of the registrant as of June 30, 2008.

The number of shares of the registrant's Common Stock outstanding as of February 17, 2009 was 68,809,077.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the registrant's definitive proxy statement for its 2009 annual meeting of stockholders are incorporated by reference

## TABLE OF CONTENTS

	<u>Page</u>
Cautionary Note Regarding Forward-Looking Statements .....	ii
<b>PART I</b>	
Item 1. Business .....	1
Item 1A. Risk Factors .....	29
Item 1B. Unresolved Staff Comments .....	45
Item 2. Properties .....	45
Item 3. Legal Proceedings .....	46
Item 4. Submission of Matters to a Vote of Security Holders .....	46
<b>PART II</b>	
Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities .....	49
Item 6. Selected Financial Data .....	52
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations .....	53
Item 7A. Quantitative and Qualitative Disclosures About Market Risk .....	89
Item 8. Financial Statements and Supplementary Data .....	90
Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure .....	150
Item 9A. Controls and Procedures .....	150
Item 9B. Other Information .....	150
<b>PART III</b>	
Item 10. Directors, Executive Officers and Corporate Governance .....	151
Item 11. Executive Compensation .....	151
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters .....	151
Item 13. Certain Relationships and Related Transactions, and Director Independence .....	151
Item 14. Principal Accountant Fees and Services .....	151
<b>PART IV</b>	
Item 15. Exhibits and Financial Statement Schedules .....	152
SIGNATURES .....	163

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to historical facts or statements of current condition, this report and the documents into which this report is and will be incorporated contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements contained in this report or incorporated herein by reference constitute our expectations or forecasts of future events as of the date this report was filed with the Securities and Exchange Commission and are not statements of historical fact. You can identify these statements by the fact that they do not relate strictly to historical or current facts. Such statements may include words such as “anticipate,” “will,” “estimate,” “expect,” “project,” “intend,” “should,” “plan,” “believe,” “hope,” and other words and terms of similar meaning in connection with any discussion of, among other things, future operating or financial performance, strategic initiatives and business strategies, regulatory or competitive environments, our intellectual property and product development. In particular, these forward-looking statements include, among others, statements about:

- our dependence on sales of PROVIGIL® (modafinil) Tablets [C-IV] and, once launched, NUVIGIL® (armodafinil) Tablets [C-IV] in the United States and the market prospects and future marketing efforts for PROVIGIL, NUVIGIL, FENTORA® (fentanyl buccal tablet) [C-II], AMRIX® (cyclobenzaprine hydrochloride extended-release capsules) and TREANDA® (bendamustine hydrochloride);
- any potential approval of our product candidates, including with respect to any expanded indications for NUVIGIL and/or FENTORA;
- our anticipated scientific progress in our research programs and our development of potential pharmaceutical products including our ongoing or planned clinical trials, the timing and costs of such trials and the likelihood or timing of revenues from these products, if any;
- our ability to adequately protect our technology and enforce our intellectual property rights and the future expiration of patent and/or regulatory exclusivity on certain of our products;
- our ability to comply fully with the terms of our settlement agreements (including the Corporate Integrity Agreement) with the U.S. Attorney’s Office (“USAO”), the Department of Justice (“DOJ”), the Office of the Inspector General of the Department of Health and Human Services (“OIG”) and other federal government entities, the Offices of the Attorneys General of Connecticut and Massachusetts and the various states;
- our ongoing litigation matters, including litigation stemming from the settlement of the PROVIGIL patent litigation, the FENTORA patent infringement lawsuits we have filed against Watson Laboratories, Inc. and Barr Laboratories, Inc. and the AMRIX patent infringement lawsuits we have filed against Barr, Mylan Pharmaceuticals, Inc. and Impax Laboratories, Inc.;
- our future cash flow, our ability to service or repay our existing debt and our ability to raise additional funds, if needed, in light of our current and projected level of operations and general economic conditions; and
- other statements regarding matters that are not historical facts or statements of current condition.

Any or all of our forward-looking statements in this report and in the documents we have referred you to may turn out to be wrong. They can be affected by inaccurate assumptions we might make or by known or unknown risks and uncertainties. Therefore, you should not place undue reliance on any such

forward-looking statements. The factors that could cause actual results to differ from those expressed or implied by our forward-looking statements include, among others:

- the acceptance of our products by physicians and patients in the marketplace, particularly with respect to our recently launched products;
- our ability to obtain regulatory approvals to sell our product candidates, including any additional future indications for FENTORA and NUVIGIL, and to launch such products or indications successfully;
- scientific or regulatory setbacks with respect to research programs, clinical trials, manufacturing activities and/or our existing products;
- the timing and unpredictability of regulatory approvals;
- unanticipated cash requirements to support current operations, expand our business or incur capital expenditures;
- the inability to adequately protect our key intellectual property rights;
- the loss of key management or scientific personnel;
- the activities of our competitors in the industry;
- regulatory, legal or other setbacks or delays with respect to the settlement agreements with the USAO, the DOJ, the OIG and other federal entities, the state settlement agreements and Corporate Integrity Agreement related thereto, the settlement agreements with the Offices of the Attorneys General of Connecticut and Massachusetts, our settlements of the PROVIGIL patent litigation and the ongoing litigation related to such settlements, the FENTORA patent infringement lawsuits we have filed against Watson and Barr and the AMRIX patent infringement lawsuits we have filed against Barr, Mylan and Impax;
- our ability to integrate successfully technologies, products and businesses we acquire and realize the expected benefits from those acquisitions;
- unanticipated conversion of our convertible notes by our note holders;
- market conditions generally or in the biopharmaceutical industry that make raising capital or consummating acquisitions difficult, expensive or both; and
- enactment of new government laws, regulations, court decisions, regulatory interpretations or other initiatives that are adverse to us or our interests.

We do not intend to update publicly any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law. We discuss in more detail the risks that we anticipate in Part I, Item 1A of this Annual Report on Form 10-K. This discussion is permitted by the Private Securities Litigation Reform Act of 1995.

# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

## API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

## LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.